

EXPLANATION OF AMENDMENTS TO THE AB 900 2007 LOCAL JAIL CONSTRUCTION FUNDING PROGRAM REGULATIONS

GENERAL COMMENTS

At the request of the Department of Finance, throughout these regulations, the term "financing" or "financed" replaced the terms "funds," "funded" or "funding."

ARTICLE 1, GENERAL PROVISIONS

Section 1706, Definitions.

The definition for "Construction bid" is being added to describe the building contractor's bid for a design-bid-build project.

The definition for "Preliminary drawings" is being added to explain a term used by the State Public Works Board to describe the first set of documents submitted by the participating county in the design-build process.

In the definition for "Rated capacity," the Title 24 citation was amended.

In the definition for "Special use beds," the Title 24 citation was amended.

The definition for "working drawings" is being added to explain a term used by the State Public Works Board to describe the final set of documents from the participating county used in the design-build process.

ARTICLE 3, APPLICATION TO PARTICIPATE IN 2007 LOCAL JAIL CONSTRUCTION FUNDING PROGRAM

Section 1747, Pre-funding Requirements.

Assembly Bill 1628 added language to Government Code Sections 15820.906 and 15820.916 to allow the use of the design-build construction process with AB 900 lease-revenue bond financing. As a result of this change, it became necessary to revise existing regulations and create new regulations to describe the different requirements for the design-bid-build and the design-build processes.

Subsection (a)(3) was added to require that the State Public Works Board approve the construction bid awarded by the county. This is an important step in the lease-revenue bond process.

Section 1749, Submittal of Architectural Drawings and Specifications.

In subsection (d) the Title 24 citation was corrected.

Section 1752, Ground Lease.

Subsection (b) has been amended to reflect that an easement is needed over adjacent county property as necessary for the project footprint. This is an important element in the lease-revenue bond process.

Subsection (j) has been amended to clarify that only if a county is awarded lease-revenue financing to reimburse the county for its project, after the financing is fully paid, the ground lease will terminate and title to the local jail facility will vest in the county.

Section 1754, Facility Sublease.

An amendment was added to subsection (a) to provide clarity.

ARTICLE 4, ADMINISTRATION OF THE PROCEEDS OF THE STATE BOND FUNDS AND PROJECT MONITORING

Section 1756, Disbursement of the Proceeds from the Lease-Revenue Bond Funds.

An amendment was made to subsection (e)(1) to allow counties to submit for payment on a schedule mutually agreed to by the Authority and the participating county.

Subsection (e)(3) was amended to reflect CSA Board action from a previous agenda item from this meeting; changing the retention amount withheld from the proceeds of the lease-revenue financing from 20% to 5% to allow counties more fiscal flexibility.

Section 1757, Pooled Money Investment Board.

The title of this regulation was changed to reflect a more accurate term. This regulation is about interim financing, not about the Pooled Money Investment Board.

Section 1760, Accounting.

Terminology was changed in this regulation for clarity. The terms "proceeds of lease-revenue bonds" and "state bond funds" are reimbursements.

1768, Project Modifications.

This regulation was modified to clarify when invoices and progress reports are to be submitted.